

# BOARD OF REGENTS State of Iowa

11260 Aurora Avenue  
Urbandale, Iowa 50322-7905

Phone: (515) 281-3934 Fax: (515) 281-6420

[www.state.ia.us/educate/regents](http://www.state.ia.us/educate/regents)

John D. Forsyth, President, Des Moines  
Robert N. Downer, Pro Tem, Iowa City  
Amir I. Arbisser, M.D., Davenport  
Mary Ellen Becker, Ph.D., Oskaloosa  
David G. Neil, La Porte City  
Owen J. Newlin, Ph.D., Des Moines  
Sue Erickson Nieland, Sioux City  
Jenny L. Rokes, Dike  
Rose A. Vasquez, Des Moines

Gregory S. Nichols, Executive Director

January 18, 2005

Mike Marshall  
Secretary of the Senate  
State Capitol

Margaret Thomson  
Chief Clerk of the House  
State Capitol

Dear Mr. Marshall and Ms. Thomson:

The enclosed table summarizes the estimated FY 2004 increased costs for the Board of Regents associated with the use of the ICN, as required by Iowa Code §8D.10. For the last two years, the Board has reported increased costs instead of savings.

The assumptions used to estimate the dollars include:

1. Same level of participation in voice and data services regardless of cost.
2. Video expense would not exceed current budgeted amounts.
3. Alternate carriers always available.
4. Cost of equipment, setup, scheduling, and technical support are not included.

With the significant budget reductions in recent years, the Regent institutions would most likely not spend more than the amount currently budgeted for video regardless of the source. In prior years, the video component was the predominant source of savings. The Regent universities believe they could negotiate better prices on voice and data with an alternate carrier. Therefore, the use of the ICN would be more costly for the Regent institutions.

While use of the ICN may be more costly, the Regent universities recognize that the ICN video network has been a valuable resource for delivery of educational programs and services to Iowans across the state. The University of Northern Iowa believes the ICN is critical to its statewide educational mission.

Sincerely,

Gregory S. Nichols

jafh\h:\bf\icn\icn savings report\icnsavingsfy2004.doc

Enclosure

cc: Mary Shipman, LSA  
John Gillispie, ICN  
Legislative Liaisons  
Legislative Log